



MINUTES OF THE LAND RECLAMATION COMMISSION MEETING

January 26, 2006

Chairman, Jim DiPardo called the meeting to order at 10:00 a.m., at the Missouri Department of Natural Resources, 1738 East Elm Street, Jefferson City, Missouri.

Commissioners Present: Jim DiPardo; Dr. Gregory Haddock; Nick Matherly; Bill Duley (alternate for Mimi Garstang); Ed Galbraith and Bob Ziehmer.

Staff Present: Larry Coen; Tom Cabanas; Steve Femmer; Andy Reed; Clint Bishop; Mike Mueller; Sara Hayes; Larry Hopkins; Mike Larsen and Becky Myers

Others Present: Stephen Preston, OSM; Steve Rudloff, MLPA; Mike Carlson, Gredell Engineering; Enos Criddle, SEMCO; Ed Robinson, SEMCO; Jim Guillum, SEMCO; James D. Rolls, AECl; Greg Foster, AMEC; Jack Atterberry, Assoc. Gen. Contractors of Missouri and Glen and Margaret Ellis, landowners.

MINUTES OF THE NOVEMBER 16, 2005 MEETING

Dr. Haddock made a motion to approve the minutes of the November 16, 2005, Land Reclamation Program's Commission meeting. Mr. Galbraith seconded the motion; motion carried unanimously.

PERMITS, CONTRACTS AND DESIGN

AML Reclamation Projects

Land Reclamation Staff, Clint Bishop presented the following AML Status Update: On December 29, 2005, the Land Reclamation Program (LRP) issued a contract to obtain aerial photography and mapping for the proposed Rocky Fork AML Reclamation Project site. The successful bidder is Aerial Data Service, Inc. and the amount of the contract is \$31,500. All photos and topographic information are due to be submitted to LRP by February 17, 2006. The goal is to conduct project investigation and design activities this winter and spring in order to have reclamation work underway during the 2006-construction season. The AML problems at this site include a 15-acre, eroding coal waste pile and a 35-acre coal slurry pond that pose a threat to public safety and to water quality in Rocky Fork. This site is located on the Missouri Department of Conservation's Rocky Fork Conservation Area. At this time, Rocky Fork is the only new coal AML site selected for investigation and design activities. The Land Reclamation Program also plans to close a minimum of four extremely dangerous lead/zinc mine shafts located in Jasper and Newton Counties during the upcoming construction season. The LRP must regain state primacy to administer the coal regulatory program and subsequently receive

additional AML reclamation funds from OSM before any of the AML construction activities can be undertaken.

AML Emergency Program

The program has received no AML coal emergency complaints since the last Commission meeting.

AML Maintenance Activities

The repair work on the N-2 dam emergency spillway at Perche Creek in Boone County was successfully completed in early November 2005.

INDUSTRIAL MINERALS

Hearing Requests

Tom Cabanas, Land Reclamation Program staff presented in Bill Zeaman's absence the hearing request concerning the permit application sought by Edward J. Robinson d/b/a Big Cedar Stone in Ste. Genevieve County.

On October 3, 2005, the Missouri Department of Natural Resources Land Reclamation Program received a permit expansion application from Edward J. Robinson d/b/a Big cedar Stone proposing to mine limestone on an additional 73-acres of land for a total 105-acres in Ste. Genevieve county. After the application was deemed completed the company published the public notice once a week, beginning on November 2, 2005, for four consecutive weeks in the Ste. Genevieve Herald a newspaper that is qualified to publish Public Notice's pursuant to Section 493.050 RSMo, in Ste. Genevieve County. The company also sent by certified mail a notice of intent to operate a surface mine to the appropriate government officials and adjacent landowners. This proposed permit application of a 105-acre limestone mining operation is located in Sections 12, 13, 7 and 18, township 37 north, Ranges 6 & 7 East in Ste. Genevieve County. The proposed mine operation timeframe is to the year 2080.

The Staff Director received one letter requesting a hearing, supported by five other signatures concerning the proposed permit expansion application. Therefore, we present a request for a hearing before the Commission.

The Land Reclamation Act addresses the issues of a request for a hearing and issues of past non-compliance. The Missouri Department of Natural Resources does not provide protection concerning scenic screens, lighting structure, conceptions of intrinsic and economic values of land diminishing, request for permit denial and other adverse impacts outside the jurisdiction of the department.

On December 9, 2005, the Staff Director did inform the person requesting a hearing of the time, location of and how to prepare for the January 26, 2006 Commission meeting.

The Land Reclamation Act at Section 444.773.3, RSMo, requires that the Staff Director make a formal recommendation regarding the issuance or denial of an applicant's permit. In addition, the "Act" at 444.773.1, RSMo, requires the Director to consider any written comments when making the notice of recommendation. After consideration of issues provided in the letter, it is the Staff Director's recommendation to issue the permit expansion application involving 73-acres for a total of 105-acres in Ste. Genevieve County sought after by Edward J. Robinson d/b/a Big Cedar Stone. The Staff Director's recommendation for approving this application is based on the fact that the company has satisfied the requirements for application completeness.

There were representatives from the quarry in the audience prepared to discuss the expansion or answer any questions that might surface during the meeting. However, since the opposing adjacent landowners did not show for the meeting the request for a hearing became a moot issue.

Dr. Haddock made a motion to follow the staff recommendation to approve the permit application. Mr. Matherly seconded the motion; motion carried unanimously.

Next, Mr. Cabanas presented the hearing request concerning the permit application sought by Brown Sand and Gravel, Inc., Lodi Quarry (Site #3) and Shook Quarry (Site #1), Wayne County.

On September 19, 2005, the Missouri Department of Natural Resources Land Reclamation Program received a permit transfer application from Brown Sand and Gravel, Inc. proposing to mine limestone at two quarries in Wayne County. They are the Lodi quarry (Site #3) for 274 acres and Shook quarry (Site #1) for 235 acres. These sites are currently under permit from Seminole Stone, Inc. and the application from Brown Sand and Gravel, Inc. is a request to transfer the permit for these sites to their company. After the application was deemed complete the company published the public notice once a week, beginning September 5, 2005, for four consecutive weeks in the Wayne County journal-Banner, a newspaper that is qualified to publish Public Notices pursuant to Section 493.050 RSMo., in Wayne County. The company also sent by certified mail a notice of intent to operate a surface mine to the appropriate government officials, adjacent and contiguous property owners. The addresses of adjacent and contiguous landowners were obtained from the local Assessor's Office and by other means. This proposed permit application to transfer these two quarries are located as follows: Lodi quarry (Site #3), Section 25 & 36, Township 30N, Range 05E; shook quarry (Site #1) Section 32, Township 28N, Range 07E in Wayne County. The proposed mine operation timeframe is to the year 2075.

The Staff Director received five (5) requests for hearing and one (1) comment letter during the comment period concerning the proposed transfer application. Four (4) of the letters with essentially the same verbiage requested a hearing on the Lodi Quarry (Site #3), one letter requested a hearing and one letter containing comments were received for the Shook Quarry (Site #1). The individuals requesting the hearing at the Lodi Quarry (Site #3) are: Willard and Marilyn Griggs, Oscar Witt, Gilber and Jeanie Marler, Paul B.

and Shirley a. Fox. Larry Resinger, Sr. requested a hearing for the Shook quarry (Site #1) and Orval and Florence Matteson submitted comments pertaining to this site.

One individual, John T. Norton, who owns land adjacent to the Shook Quarry (Site #1) was sent by certified mail a notice of intent to operate a surface mine. However, due to his absence from his home he had not picked up his mail in order to satisfy the requirements in the rules at 10 CSR 40-10.020 (2) (J) that states: *“The applicant shall submit proof that: 1. All certified letters required by this rule have been sent to all applicable parties, as listed above. Receipts showing that all parties have been properly served shall be submitted to the program to verify delivery.”* The staff is taking the literal interpretation of this rule in that we would desire that the company show proof of delivery or refusal of the certified letters in order to show that the letters have been properly served. However, Carol Hudak of Brown Sand and Gravel, Inc. has indicated they feel the intent of the rule has been met by their repeated attempts to send the letter vial certified mail as well as to hand deliver it. We would recommend that the Commission decide whether the company’s efforts in this matter have met the intent of the rule.

The Land Reclamation Act addresses the issues of a request for a hearing and issues of non-compliance. The Missouri Department of Natural Resources does not provide protection property boundaries, noise, proximity to homes and other adverse impacts outside the jurisdiction of the department.

On October 28, 2005, the Staff director did inform the people requesting a hearing of the time, location of and how to prepare for the January 26, 2006, Commission meeting. An informational letter about the January 26, 2006, meeting was also sent to the commentors, Orval and Florence Matteson. However, it is noted that a public meeting was not requested by any of the landowners.

The Land Reclamation Act at Section 444.773.3, RSMo, requires that the Staff Director make a formal recommendation regarding the issuance or denial of an applicant’s permit. In addition, the “Act” at 444.773.1, RSMo, requires the Director to consider any written comments when making the notice of recommendation. After consideration of comments provided in letters, it is the Director’s recommendation to issue the permit application involving the Lodi quarry (site #3) for 274 acres in Wayne County sought after by Brown Sand and Gravel, Inc. The Staff Director did recommend approval of the pending mining permit application, because the company has satisfied all of the requirements of The Land Reclamation Act.

If the Commission decides that the company has completed proper service to Mr. John T. Norton, it is the Director’s recommendation to issue the permit application involving the Shook Quarry (Site #1) for 235 acres in Wayne County sought after by Brown Sand and Gravel, Inc. The Staff Director will recommend approval of the pending mining permit application, because the company has satisfied all of the requirements of The Land Reclamation Act.

If the Commission decides that the company has not completed proper service to Mr. John T. Norton, it is the Director's recommendation that Brown Sand and Gravel, Inc. complete proper service to this individual and take up the matter of the hearing request at the next regularly scheduled Commission meeting following proper service.

Following Mr. Cabanas' presentation, Ms. Carol Hudak, Environmental Coordinator for Brown Sand and Gravel addressed the Commission. She explained in great detail the company's procedure to deliver a notice to landowner, John T. Norton. The company certified a notice to Mr. Norton, however, it was returned as Mr. Norton failed to pick up his mail. Ms. Hudak then went to his home to try to personally, hand deliver it on two different occasions, but once again was unable to contact Mr. Norton. She noted that the mailbox was full of mail and the house appeared to be abandoned, so she went next door to the neighbor to inquire. Ms. Hudak was told that Mr. Norton was a long distance truck driver and no longer lives at that address, but does periodically stop to pick up mail. Through information obtained from the neighbor, Ms. Hudak went to the Puxico post office to pursue an address for Mr. Norton. Once again, this proved to be a futile attempt. Ms. Hudak feels that the company exhausted their avenues to contact Mr. Norton.

Mr. Galbraith made a motion that the Commission rectifies that the company did make reasonable effort to notify Mr. Norton. Dr. Haddock seconded the motion; motion carried unanimously.

Regarding the hearing request, Mr. Cabanas noted that he had been contacted by landowners who requested that the hearing be moved in closer proximity to the landowners to achieve more participation. Mr. Galbraith noted that if granted a hearing the next process would be to send the hearing information to the Hearing Commission, which would remove the changing of venue out of the hands of the Land Reclamation Committee. Dr. Haddock explained that he felt this was an extraordinary request and indicated that if there was no motion made on this it became a moot issue. Thus, no motion was made and this became a non-issue.

Landowner, Larry Resinger asked to address the Commission. He presented information explaining the damage that he felt the quarry had made to his land. He brought photographs and various documents to prove his case. The Commission felt that Mr. Resinger was successful with his presentation of damage done to his property and have requested further information be provided by staff.

Mr. Coen noted that the damage Mr. Resinger is referring to actually involves meshing two permits; a water permit and a mining permit. There are two different agencies that have oversight to Mr. Resinger's complaints.

The Commission asked when was the last inspection of this property. Mr. Coen noted that a Land Reclamation Program inspector visited the site in December of 2005 and did not see these problems. It's not to say that the problems weren't there, only that perhaps they were not part of the mining permit, so an inspection of land not related to the mining

permit was not necessary. Mr. Resinger asked to see the water permits. Mr. Galbraith asked for his address and assured him that copies of the permits would be mailed to him.

A representative from the quarry noted that they were totally unaware of these issues. The presentation at the meeting was the first knowledge they had that problems exist. They recently purchased the quarry, thus the request for transfer of the permit and “want to make things right with the landowner”. Mr. Galbraith also stated that he would be sending a water inspector out to the processing plant. Mr. Galbraith also asked if the company representatives would be willing to work with the Department’s water program to correct these problems for the landowner. Company representative, Ms. Carol Hudak stated once again that they were unaware that any problems existed with Mr. Resinger and they would be more than happy to work with the Department and Mr. Resinger to settle these issues.

A lengthy discussion between Mr. Resinger, Carol Hudak and the Commissioners ensued. At the end of this discussion, Mr. Matherly made a motion to table this issue until more information could be obtained. Mr. Duley seconded the motion; motion carried unanimously to table the issue and have the inspectors set up a meeting with all parties to resolve the concerns.

Next, Mr. Cabanas presented information on the hearing request concerning the permit application sought by Benton County Stone Co., Inc. McDonald County. On August 11, 2005, the Missouri Department of Natural Resources Land Reclamation Program received a permit application from Benton County Stone Co., Inc. to expand their long-term mine plan area from 182 acres to 1259 acres to mine limestone at their McDonald County Quarry (BDS01). A permit was issued to Benton County Stone Co., Inc. in 2003, but to date no limestone has been mined at the site by this company. After the application was deemed complete the company published the public notice once a week, beginning October 10, 2005, for four consecutive weeks in the McDonald County New-Gazette, a newspaper that is qualified to publish Public Notices pursuant to Section 493.050 RSMo in McDonald County. The company also sent by certified mail a notice of intent to operate a surface mine to the appropriate government officials, adjacent and contiguous property owners. The addresses of adjacent and contiguous landowners were obtained from the local Assessor’s Office and by other means. This proposed permit application to expand the long-term mine plan is located at Sections 27, 28, 29, 32, 33 and 34 Township 21N, Range 32W in McDonald County. The proposed mine operation timeframe is to the year 2025.

The Staff Director received two (2) requests for a hearing during the comment period concerning the proposed expansion application. The individuals requesting the hearing are Catherine and John Krupka and Glen Ellis. There was no public meeting requested by any party.

While these were the only requests for a hearing received to date, Benton County Stone Co., Inc. did send notification letters to three adjacent landowners who did not pick up

their certified letters until they were sent via UPS. Written confirmation of delivery was verified by the shipper's signature for adjacent landowners Jimmie Sanders on December 24, 2005, and for Edwin Kelly and Terry Dunfee on December 27, 2005. This should satisfy the requirements in the rules at 10 CSR 40-10.020 (2)(J) that states: "*The applicant shall submit proof that: 1. All certified letters required by this rule have been sent to all applicable parties, as listed above. Receipts showing that all parties have been properly served shall be submitted to the program to verify delivery*".

The late delivery of these letters to the three adjacent landowners pushes back the public comment period for those individuals to the end of business on January 26, 2006. Normally, hearing requests are not brought before the Commission unless the public comment period has expired in advance of the setting of the meeting agenda. The consulting firm and company feel that they met the standard in October, but agreed to the additional attempt in December. The staff simply feels that some sort of confirmation of delivery has to be provided for the file, especially when a permit may become a contested case. In that case, the public notice will expire by close of business on the day of the Commission meeting.

Terry Fox of Triad Environmental Services, representing Benton County Stone Co., Inc. has indicated they feel the intent of the rule has been met by their earlier repeated attempts to send the letter via certified mail, as well as to hand deliver it. These attempts were made in mid-October, 2005, well in advance of the January 26, 2006, Commission meeting. We would recommend that the Commission decide whether the company's effort in this matter have met the intent of the rule.

The Land Reclamation Act addresses the issues of a request for a hearing, proper public notification, safety barriers and issues of non-compliances. The Missouri Department of Natural Resources does not provide protection property boundaries, future wells, road maintenance, traffic congestion, traffic safety issues, property values, restriction on the size of permit areas, noise, proximity to homes and other adverse impacts outside the jurisdiction of the department.

On December 5, 2005, the Staff director did inform the people requesting a hearing of the time, location of and how to prepare for the January 26, 2006, Commission meeting.

The Land Reclamation Act at Section 444.773.3, RSMo, requires that the Staff Director make a formal recommendation regarding the issuance or denial of an applicant's permit. In addition, the "Act" at 444.773.1, RSMo, requires the Director to consider any written comments when making the notice of recommendation. After consideration of comments provided in letters, it is the Director's recommendation to issue the permit expansion application involving the McDonald County Quarry (BCS01) sought after by Benton County Stone Co., Inc., following expiration of the public comment period (end of the day of the Commission meeting) if no comments or requests for public meetings and/or hearings are received. The Staff Director did recommend approval of the pending mining permit application, because the company has satisfied all of the requirements of The Land Reclamation Act. If any public comments or requests for public meetings and/or hearings

are received by close of business on January 26th, the matter of the hearing requests will be postponed until the March 23, 2006, meeting.

If the Commission decides that the company has completed proper service to the three adjacent landowners in mid-October, via the attempted delivery of the certified notification letters, it is the Director's recommendation to issue the permit application involving the McDonald County Quarry (BCS01) sought after by Benton County Stone Co., Inc. The Staff Director will recommend approval of the pending mining permit application, because the company has satisfied all of the requirements of The Land Reclamation Act.

After Mr. Cabanas made his presentation, Mr. DiPardo noted that the first issue for the Commission to decide is whether the company did give proper notice to the adjacent landowners. Mr. Matherly inquired into the attempts at hand delivery to those that claim to have not received notice. At that time, Mr. Terry Fox of Triad Environmental Services addressed the Commission to answer that question. The three individuals that did not receive the notices at the mailbox were notified four times, but to no avail. The next step was to meet with Department staff at the site to discuss a process to serve these individuals, since they refused to pick up the notices. Mr. Fox then went to the County Assessor's office, which assured him that the company did have the addresses that were on file for these landowners. At this point, the company felt that it had upheld its obligation to notify all adjacent landowners, since they did have receipts to verify that the information was mailed to these individuals. The Land Reclamation Program staff told Mr. Fox that these individuals must be physically served. They were told that they needed to hand deliver these notices or hire a server to deliver them. It was decided to use UPS next day delivery service to deliver these notices, since UPS provides a confirmation of delivery. Mr. Fox expressed his displeasure with the process of "serving" the landowners that is expected by the Department. He firmly believes that the company did everything possible to serve these individuals.

Dr. Haddock made a motion to recognize that the company did everything they could to contact all adjacent landowners. Bill Duley seconded the motion; motion carried unanimously.

Next, adjacent landowner, Mr. Glen Ellis addressed the Commission. Both he and his wife, Margaret are asthmatic and his main concern with the quarry is the amount of diesel exhaust that will be discharged by the vehicles used at the quarry. Mr. Ellis presented extensive research information to substantiate his concerns.

After Mr. Ellis made his presentation, Mr. Coen noted that the Department of Natural Resources only regulate the mining; they do not and can not regulate the truck traffic on public roads. Mr. Galbraith also brought up the fact that in a letter received by the program, an adjacent landowner claimed water concerns relating to the adverse effect of the quarry on the water supply. Mrs. Krupka then spoke of her concerns regarding her land. Her main concern is the anticipated negative effect of the quarry on the property value of her "retirement home" property.

Mr. Fox again addressed the Commission with comments and answers to the issues and questions presented by the landowners. Mr. Ellis then addressed the Commission with additional comments regarding the emission of diesel exhaust. He was very concerned with his health relating to the diesel exhaust.

Next, Mr. James Kemp of Benton County Stone addressed the Commission and the landowners to discuss the landowners' concerns regarding the gravel disturbances of the previous quarry owners. As the new owner, Mr. Kemp stated that they are seeking to permit the removal of limestone, not gravel. Also, Terry Fox, further explained the procedures of the previous owner and that of the new owner.

Mr. Galbraith made a motion to approve the hearing request for Benton County Stone. Bob Ziehmer seconded the motion; it was a split vote. Therefore, Mr. DiPardo asked for a verbal vote. Ed Galbraith, yes; Bob Ziehmer, yes; Nick Matherly, yes; Jim DiPardo, no; Dr. Greg Haddock, no; Bill Duley, no. The vote remained split.

Dr. Haddock then made a motion to deny the hearing request for Benton County Stone. Bill Duley seconded the motion; it was a split vote. Therefore, Mr. DiPardo asked for a verbal vote. Ed Galbraith, no; Bob Ziehmer, no; Nick Matherly, no; Jim DiPardo, yes; Dr. Greg Haddock, yes; Bill Duley, yes. The vote remained split.

At that point, further discussion ensued with company representatives, Commissioners, Terry Fox, Mr. Ellis and Mrs. Krupka to try and reach a mutually agreed upon resolution to the problem. Mr. DiPardo suggested that the parties get together and agree upon a solution within the next 30 days and the Commission will meet via a conference call to rule on a decision.

Mr. Galbraith then withdrew his motion to deny or approve the hearing request and then proceeded to make a motion to table the issue until all parties can come to an agreement. Mr. Duley seconded the motion; motion carried unanimously.

Once this discussion was concluded, Ms. Hudak of Brown Sand and Gravel approached the Commission and asked that the permit be transferred at the Lodi Site.

Dr. Haddock made a motion to take the issue off of the table and direct the Land Reclamation Program staff to transfer the permit on the Lodi Site and within 30 days both parties come to an agreement on the Shook Site and any remaining issues. Ed Galbraith seconded the motion; motion carried unanimously.

Next on the agenda, Mr. Cabanas made a presentation regarding the Industrial Minerals Rule Committee. At the September 22, 2005, meeting the Commission directed Mr. Cabanas to contact interested individuals to participate in a committee to draft new rules for the legislation contained in house Bill 824 that became effective on August 28, 2005.

To date the following individuals have expressed an interest in this project:

- Steve Rudloff, Missouri Limestone Producers Association
- Jack Atterberry, Associated General Contractors of Missouri, Inc.
- Randy Scherr, Mining Industry Council of Missouri
- Ted Heisel, Coalition for the Environment
- Dean Smart, Midwest Environmental Consultants
- Mike Carlson, Gredell Engineering Resources
- Susan Kozak, Martin Marietta Aggregates

Mr. Cabanas also suggested that the Commission appoint one of their members to help direct the discussion. He also noted that it is the usual practice to request one of the attorneys from the Department to assist the group as well.

Mr. Cabanas presented a letter from Mr. Atterberry suggesting that the Commission lift the same language from the statutes and be placed into the rules without the need for ongoing monthly task force meetings. This is a fine suggestion that merits consideration given the lengthy process of rulemaking.

If this is the Commission's desired approach, the staff will draft a set of rules that contain the statutory language for circulation to the Commissioners and the individuals listed above for their comment. If all are in agreement with the draft language the formal rulemaking process can begin.

Dr. Haddock made a recommendation to align the rules and regulations to follow with the statutory wording; Bob Ziehmer seconded the motion. Motion carried unanimously.

MIKE MUELLER- SUMMARY OF BONDS RELEASED BY DIRECTOR

The Staff Director of the Land Reclamation Program has reviewed, evaluated, and approved the following Industrial Mineral bond release requests since the September, 2005 meeting of the Land Reclamation Commission. This summary is being provided for the Commission's information:

Company	Permit #	Mine	Land Use	Acres Released	Amount Released
Delta Asphalt, Inc.	0312	Bell City Pit #1	Wildlife/ Water	3/2	\$2,500.00
Delta Asphalt, Inc.	0312	Bell City Pit #2	Unaffected by Operator	3	\$1,500.00
A.P. Green Industries, Inc.	0118	Blum/Sieger	Water/ Recreational	10/ 27	\$18,500.00
A.P. Green Industries, Inc.	0118	Hummel	Water/ Recreational	1/ 2	\$1,500.00
A.P. Green Industries, Inc.	0118	Vuilecott	Water/ Recreational	2/ 3	\$2,500.00
A.P. Green Industries, Inc.	0118	Danuser	Pasture	4	\$2,000.00
A.P. Green Industries, Inc.	0118	Holt Estate	Agriculture/ Water	6/ 2	\$4,000.00
Harbison-Walker Refractories	0146	Keown	Water/ Recreational	0.5/ 0.5	\$500.00
Harbison-Walker Refractories	0146	Craghead	Water/ Recreational	2/ 1	\$1,500.00
Harbison-Walker Refractories	0146	A.C. David	Pasture	4	\$2,000.00
Hunt Midwest Mining, Inc.	0058	Moorsville Quarry	Development	37	\$18,500.00
Rosati Sandstone, Inc.	0637	Sandstone Pit	Pre-Law Exemption	5	\$ 8,000.00
Crider Brothers Lime Co.	0327	Pit #1	Wildlife/ Industrial	6/ 2	\$ 4,000.00

Staff presented the above request for bond release to the Staff Director. The Staff Director approved the releases noted above following review of the requests along with photographs taken during the bond release inspections.

Confirmation of the approval has been sent to the company and bonding entities.

MIKE LARSEN - COAL BOND FORFEITURE STATUS UPDATE

Since the last update provided to the commission on November 16, 2005, the bond forfeiture staff has continued to conduct on the ground inspections and evaluations of bond forfeiture sites. In addition, the staff has been working with contractors in order to complete needed repairs and maintenance at various forfeiture sites around the state.

The following is a brief summary for the commission's information as to the work progressing and/or completed since the November meeting:

Riedel Energy, Inc. – Monroe and Ralls counties:

Rock placement (erosion control) and pond repairs (principal spillway replacement) to two ponds on permit # 1989-03 and permit #1987-02 has been completed. The ponds are currently being watched to ensure the water level will be adequate and stable prior to a presentation to the commission for release.

Universal Coal and Energy Co., Inc. – Mine #4 (Permit #1983-19) – Howard county

Work was completed with respect to rock placement for erosion control and a principal spillway replacement for one pond. This work was conducted within permit #1983-19 at the north end of the minesite. In addition to the above work, an application of agricultural lime was also completed on the pasture areas. All work is now deemed to have been completed by the staff. This permit contains sixty (60) acres of mined land and will be presented for liability release to the commission at the January 26, 2006 meeting.

Burbridge Coal Co. – Monroe county

Work was completed on the installation of a significantly sized plunge pool or energy dissipater at the outlet of a large pond. This work eliminated a serious erosion problem which existed at this discharge point. Currently, there still exists two significant gullies which are in need of repair and also the pond discharge tube itself requires repair. The plan for these repairs is being worked on by staff and the contract for repairs is expected to be awarded in the spring of 2006.

Projected Work Plans for 2006

The staff is currently developing plans to continue work on Universal Coal and Energy's mine #4 in Howard county. Erosion repairs are seen as the most prominent aspect of the work needed. This work will continue during the first half of the coming year with areas presented to the commission for liability release as the work is completed. It is anticipated that all areas of mine #4 will be presented to the commission for release during the coming calendar year.

Maintenance work is planned at the Bill's Coal minesite in southwest Missouri related to gully repair and diversion of additional water to a final pit impoundment. It is currently planned to complete this work during this spring or early summer as weather and time allow.

Maintenance work is anticipated during the next few months related to Missouri Mining's Pit 14 South with respect to rock placement and also for Missouri Mining's Pit 15 emergency spillway and rock armoring of 2 gullies. In addition, a monitoring well will be removed at Missouri Mining's Pit 12.

Reclamation assessments will be performed on the Riedel Energy Co. Perry mine in northeast Missouri near Mark Twain lake. This is an extensive minesite and will more than likely be the focus of the bond forfeiture staff with respect to maintenance work during calendar year 2007.

MIKE LARSEN - COAL BOND LIABILITY RELEASES

The following are the coal bond liability releases recommended by the United States Department of the Interior, Office of Surface Mining:

- Associated electric cooperative, Inc. (AECI), application PP-05-10, Prairie Hill Mine, Permit 1989-01, Phase II and III request on 59.4 acres
- Associated Electric cooperative, Inc. (AECI), application PP-05-11, Prairie Hill Mine, Permit 1985-06, Phase III release request for 63.8 acres.

Dr. Haddock made a motion to approve the Office of Surface Mining's recommendation to release permit numbers 1989-01 and 1985-06. Nick Matherly seconded the motion; motion carried unanimously.

MIKE LARSEN - COAL BOND FORFEITURE LIABILITY RELEASE REQUESTS

The Land Reclamation Program's bond forfeiture staff have evaluated and completed work on the following former coal mine sites during the past two months and are presenting them to the Commission for their liability release consideration.

All sites have been inspected jointly with the Office of Surface Mining and, in addition, all current landowners of record have been notified via certified mail that these sites are to be recommended for complete and final liability release at this meeting of the Land Reclamation Commission. As of the date of this memo, no comments or objections have been received.

<u>Company</u>	<u>Mine</u>	<u>Permit #</u>	<u>Release Acres</u>
AmEarth Corp.	Rail Loadout Facility	1984-12T	2.4
Universal Coal &	Mine #4	1983-19	60

Energy Co., Inc.

Mr. Galbraith made a motion to release 1984-12T and 1983-19 from all further liability; Mr. Matherly seconded the motion. Motion carried unanimously.

OTHER BUSINESS

MIKE LARSEN – UPDATE ON PROPOSED COAL BONDING RULEMAKING AND EMERGENCY RULES

As the Commission was advised during the last meeting, the Land Reclamation Program has been working on a proposed rulemaking package for coal bonding regulations. In addition, the Commission granted approval at the November meeting for the staff to proceed with the filing of an emergency rulemaking for these same bonding rules.

The emergency rules were prepared and filed during the month of December, 2005 and have been approved by the Secretary of State. The emergency rules became effective on January 1, 2006. The emergency rules will expire on June 30, 2006.

The proposed rulemaking was filed on December 1, 2005 with the Secretary of State. The proposed rules were published in the *Missouri Register* on January 3, 2006 and are currently undergoing a thirty (30) day public comment period. At the November meeting, the staff advised the Commission that there would be a sixty (60) day comment period and that a formal hearing would be held following the January meeting of the Commission. After further consideration, we reduced the comment period to the minimum thirty (30) days and we are not planning to hold a formal hearing, first because this action is required by OSM, and second because we want to minimize the “window” of time between the expiration of the emergency rules and the effective date of the regular rules. The emergency rules will expire on June 30, 2006, and we now expect the regular rules to become effective by August 1, 2006.

A teleconference meeting with industry is planned for January 17, 2006, with the Office of Surface Mining attending as well. The purpose of this meeting will be to discuss the proposed rules during the comment period, answer questions relating to the proposed rules and to solicit any comments in writing that the industry may wish to make. This information requires no action at this time.

COMMENTS FROM THE PUBLIC

No comments from the public.

CLOSED SESSION

Mr. Ziehmer made a motion for the Land Reclamation Commission to meet in closed session at 8:30 a.m. on March 23, 2006, to discuss personnel actions, legal actions, causes

of actions or litigation as provided for in Section 610.021 RSMo. Dr. Haddock seconded the motion; motion carried unanimously.

ADJOURNMENT

Dr. Haddock made a motion to adjourn the meeting; Mr. Galbraith seconded the motion. Motion carried unanimously. The meeting adjourned at 12:35 p.m.

Respectfully submitted,

Chairman